



Bulletin Number 1974-32

From: Howard B. Clark
Chief Insurance Commissioner

Subject: Name Drive Exclusion

Date: September 30, 1974

It will be recalled that SECTION 1, Article II, SECTION 14 of the Act makes provision for a "written amendatory endorsement" under which the insurer and any named insured may "agree that coverage under such a policy of liability insurance shall not apply while the motor vehicle is being operated by a natural person designated by name." The cited SECTION contains several limitations and restrictions among which are a provision that the endorsement must be approved as to form by the Chief Insurance Commissioner.

At a recent meeting of the ad hoc advisory committee such a form was circulated for comment and improvement. As a result, a general consensus emerged that the attached form was appropriate and useful. Accordingly, the attached Endorsement form has my approval as suitable for use as a Named Driver Exclusion Endorsement form. Nothing herein is intended to suggest that this form must be used exclusively. On the contrary, every insurer, rating organization or advisory organization is welcome to develop its own form and submit the same for approval.

Attachment 1

Endorsement Voiding Automobile Insurance While Named Person is Operating Car

This endorsement, effective 12:01 a.m., Standard Time, forms a part of Policy No. _____ issued to ____ (Named Insured) ____ by ____ (Insurer) ____.

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under coverages _____ the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

(Name of Person to be Excluded)

In all other respects this policy remains unchanged. The Named Insured accepts this endorsement as witness his signature signifying his agreement.

(Named Insured)

As the Named Person in the above endorsement, I am aware of, and agree, to the above exclusion concerning me. I have surrendered my driver's license to the State Highway Department, () or I have obtained a policy of insurance (or other security) () to enable me to drive vehicles. (check one)

(Excluded Person or Guardian if a Minor)

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